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BOBBY L. RUSH

CONGRESS OF THE UNITED STATES 1ST DISTRICT, ILLINOIS

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May 22, 2009

The Honorable Henry A. Waxman Chairman House Committee on Energy and Commerce 2125 Rayburn House Office Building Washington, D.C. 20515

The Honorable Edward J. Markey Chairman House Energy and Environment Subcommittee 2125 Rayburn House Office Building Washington, D.C. 20515

Dear Chairman Waxman and Chairman Markey:

We have worked together over the past few weeks to address a number of key priorities in the climate change legislation that are critical for my constituents and for vulnerable Americans across the country, and I greatly appreciate your consideration of my concerns. The fact that this bill fully protects vulnerable Americans from higher energy prices is a testament to your leadership.

As you know, I'm particularly concerned about the desperate need to improve the energy efficiency of subsidized housing for low-income children and families. I'm writing to suggest a strategy for addressing this issue in the climate bill before the legislation reaches the House floor.

Most subsidized housing is more than 25 years old, and many developments urgently require energy efficiency improvements. Addressing this need would not only benefit the environment, but also improve living conditions and cut utility bills for many of the needy families and individuals in subsidized housing. Most such households include at least one elderly person or person with a disability, so investing in these developments would help many of our most vulnerable citizens.

The bill provides a substantial amount of funding for state energy efficiency programs, but it is unlikely that these funds will effectively meet the need for energy efficiency improvements in federally subsidized housing. Many states will face strong political pressure to target the funds on projects that benefit businesses or middle-income families. Moreover, many states view subsidized housing as a federal responsibility, particularly since reducing energy costs in subsidized housing will generate substantial federal savings over the long run.

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MIDLOTHIAN OFFICE: 3235 WEST 147th STREET MIDLOTHIAN, ILLINOIS 60445 (708) 385-9550 (708) 385-3860 (FAX) In addition, HUD is far better suited than state agencies to administer grants and loans for energy efficiency improvements in subsidized housing. It can more effectively coordinate the funding with other federal funding streams assisting the same developments, ensuring that housing agencies and owners have strong incentives to become more energy efficient.

I recognize that legislation includes funds for the weatherization program. This is certainly helpful but doesn't obviate the need for this investment in improving the energy efficiency of subsidized housing. The bulk of weatherization funds are used to assist homeowners and it is unlikely that states will target enough weatherization money on subsidized housing to meet the need.

In our last conversation about this matter, we discussed the possibility of my offering an amendment to establish this housing energy efficiency program when the legislation reaches the Floor. While I appreciate your initial support of such a plan, I realize that I would be unlikely to secure any allowance value to fund the program at that point in the process. I also feel strongly that this program should not be funded through the regular appropriations process, as it would then compete with other critical low-income housing programs.

There are many other colleagues that are very interested in establishing this housing program, including many Members of the Congressional Black Caucus. I am hopeful that you would agree to work with me and Housing Subcommittee Chairwoman Waters to find a way to establish and fund this housing energy efficiency investment *before* the legislation reaches the House Floor. I've attached her letter requesting that this program be included in the climate change bill. I would greatly appreciate a chance for us to speak directly on this matter at your earliest convenience.

Thank you for your time and consideration and I look forward to discussing this issue with you further.

Sincerely.

Member of Congress

MAXINE WATERS

Member of Congress 35th District, California

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Congress of the United States House of Representatives

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The Honorable Henry Waxman 2125 Rayburn House Office Building House Committee on Energy and Commerce Washington, DC 20515

Dear Mr Chairman:

When the Committee on Energy and Commerce considers the American Clean Energy Security Act, I urge you to include language allocating a portion of the revenues generated through the sale of emissions allowances to fund energy efficiency improvements in public housing and privately-owned subsidized housing.

Providing this funding would do much to promote the environmental goals of the bill. Most public and assisted housing developments are several decades old, and because of the long history of underfunding, resources haven't been available to take needed measures to improve energy efficiency. As a result, these developments offer large opportunities to cut energy use and reduce greenhouse gas emissions.

In addition, these improvements would benefit many of our needlest citizens, in the Los Angeles area and around the country. Most residents of public and subsidized housing have incomes below the poverty line, and the majority of subsidized apartments house at least one person who is elderly or has a disability.

On top of these benefits, making public and assisted housing more energy efficient would save the federal government large amounts of money over time, since HUD currently spends more than \$3 billion each year on utility costs in public housing and privately owned subsidized housing

Your committee could take a major step toward furthering these goals by allocating \$500 million per year for competitive grants to improve energy efficiency in public housing and \$250 million a year for loans and grants to private subsidized housing owners who agree to maintain affordable rents for an extended period. These funds would be most effective if they were provided through HUD administered programs separate from the broader energy efficiency efforts in the bill

Thank you for your consideration of this issue. Please contact Charla Ouertatani of my staff at extension 6-3070 with any questions about this letter.

Sincerely,

Maxine Waters Chairwoman

Volume Materia

Subcommittee on Housing and Community Opportunity